S 1527-3-P

METROPOLITAN WASHINGTON, D.C.

AREA LABOR SUMMARY

THE DC DEPARTMENT OF EMPLOYMENT SERVICES

JUNE 1990

D.C. Unemployment Climbs To 5.8% In April

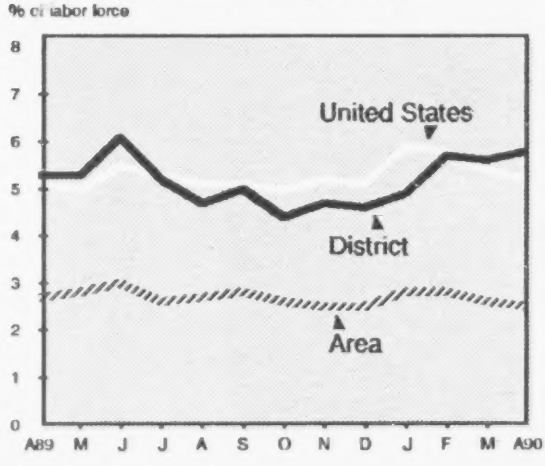
Area Job Creation Drops Again—To 1.7%

Labor Force

During April, the District's unemployment rate rose two-tenths of a percentage point to 5.8 percent of the labor force. The rate in both the suburbs and the Area continued to decline. For the suburbs, the rate dropped a tenth of a point to 2.0 percent. The increase in the District when combined with the suburban decrease resulted in the Area's rate falling slightly from 2.6 percent in March to 2.5 percent in April.

Nationally, the unadjusted unemployment rate for American workers in April was 5.2 percent. This is the second consecutive month that the District's rate was higher than the national rate.

Unemployment Rates
April 1989 - April 1990



The District

As has been the pattern in recent months, the labor statistics show a relatively large decline in both the District's labor force and employment numbers with only a relatively small increase in the level of unemployment. In April, the labor force declined by 5,000 and employment by by 5,400. On the other hand, joblessness only rose by 400. The same pattern occurred over the year (April 1989 to April 1990). The number of people working or looking for work declined by 12,700. The number of residents on payrolls declined by an even larger 13,400. Despite the large yearly declines in the labor force and employment, unemployment over the year only increased by 700. Thus, the increase of half a percentage point in the unemployment rate over the year does not represent a significant increase in the level of unemployment. The increase

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The Department of Employment Services

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METROPOLITAN WASHINGTON, D.C.

AREA LABOR SUMMARY

THE D.C. DEPARTMENT OF EMPLOYMENT SERVICES

DATA FOR APRIL 1990 — JUNE 1990

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The *Area Labor Summary* is published monthly by the D.C. Department of Employment Services, 500 C Street, N.W., Washington, D.C. 20001. The Labor Market Information and Research Staff (Richard Groner, Chief) prepares the *Summary*. The following staff members have contributed to the publication and development of data herein: Charles Roeslin, Rufus Daniels, Eileen Dent, Nancy Anderson-Grant, Elsie Taylor, and Gwendolyn Thompson, and administrative support was provided by Robin McDonald.

Inquiries and requests for labor market information may be obtained by writing to the above address, or by calling (202) 639-1641 or 639-1642.

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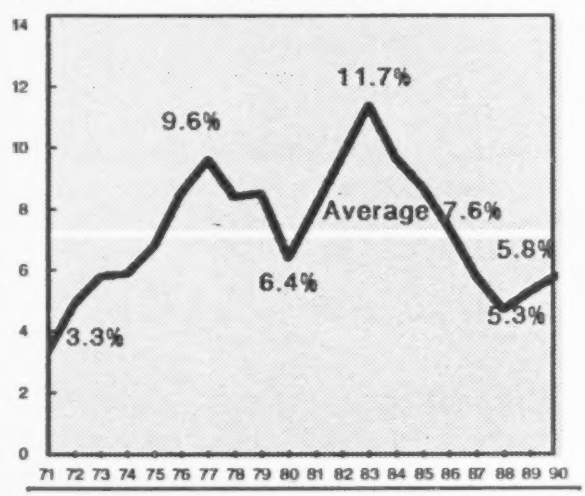
is a result of a decline in the size of the labor pool. Nevertheless, the basic trend in the District now points towards further increases in the unemployment rate.

District Unemployment Rates In the Month of April 1971 - 1990



The Area & Suburbs

Similar to the District, the April suburban labor numbers also showed an unusual decline in the labor force of 11,700 and a decline of 9,000 in employment. But unlike in the District, the number of suburban jobless declined by 2,800 producing a small tenth of a percentage point drop in the unemployment rate to 2.0 percent. This represents a very low level for April. Suburban markets are still demonstrating extreme tightness, even though the job creation in the Area and the suburbs has slowed.

Compared to April of last year, the over-the-year pattern is more traditional for the suburbs. The suburban labor force grew by 20,100 new workers. Employment expansion absorbed an even larger 22,200 workers. By drawing 2,200 suburbanites from the unemployment pool, this employment expansion dropped the jobless rate from 2.2 percent in April of last year to 2.0 percent this April.

Examining April Area job market activities, the unusual suburban declines in both the labor force and the employment level coupled with those in the District, resulted in a decline in the Area's labor supply and employment of 16,700 and 14,400, respectively. Because the monthly decrease in joblessness among suburbanites was larger than the increase in the District, the roster of unemployed Area residents shrunk by 2,400. The jobless rate declined another tenth of a percentage point to 2.5.

Over the year, the decreases in the District labor supply and employment almost offset the small suburban increases. Thus, the Area labor force only grew by 7,400 new workers and employment by only 8,800. Both the labor force and the employment changes are unusually small for a labor force containing over 2.2 million workers. The Area labor force growth seems to be slowing along with job growth. As a consequence, the Area's unemployment rate is not increasing as a result of slowing job growth.

Unemployment Rates in the Washington, D.C. MSA by City and County

	Apr.a/ 1990	Mar.b/ 1990	Apr.b/ 1989
District of Columbia	5.8	5.6	5.3
Calvert County	3.0	3.0	3.6
Frederick County	2.8	3.1	2.5
Prince Georges County	2.8	2.7	3.1
Stafford County	2.5	3.2	1.7
Alexandria City	2.1	2.6	2.1
Charles County	2.1	2.2	2.5
Manassas City	1.9	2.1	1.3
Prince William County	1.8	2.2	1.6
Manassas Park City	1.8	2.0	1.2
Montgomery County	1.8	1.8	2.2
Arlington County	1.7	1.9	1.8
Fairfax County	1.5	1.8	1.5
Fairfax City	1.5	1.7	1.4
Loudoun County	1.2	1.6	1.2
Falls Church City	1.0	1.4	1.7

a/ Preliminary
b/ Revised
SOURCE: The Department of Employment Services, the Maryland Department of Economic and Employment Development, and the Virginia Employment Commission

Employment Status for the Civilian Population
District of Columbia, Suburban Ring, and the Washington, D.C. MSA
April 1990[a/]

	Apr.[b/] 1990	Mar.[c/] 1990	Apr.[d/] 1989	Mar.[d/] 1989	Net Change From Mar.[c/] 1990	Net Change From Apr. 1989
Washington, D.C.						
Civilian Labor Force	299,400	304,400	312,100	315,100	-5,000	-12,700
Total Employed	282,000	287,400	295,400	299,800	-5,400	-13,400
Total Unemployed	17,400	17,000	16,700	15,400	400	700
Unemployment Rate[e/]	5.8	5.6	5.3	4.9	0.2	0.5
Suburban Ring						
Civilian Labor Force	1,905,900	1,917,600	1,885,800	1,874,300	-11,700	20,100
Total Employed	1,867,400	1,876,400	1,845,200	1,830,900	-9,000	22,200
Total Unemployed	38,400	41,200	40,600	43,300	-2,800	-2,200
Unemployment Rate[e/]	2.0	2.1	2.2	2.3	-0.1	-0.2
Washington, D.C. MSA						
Civilian Labor Force	2,205,300	2,222,000	2,197,900	2,189,400	-16,700	7,400
Total Employed	2,149,400	2,163,800	2,140,600	2,130,700	-14,400	8,800
Total Unemployed	55,800	58,200	57,300	58,700	-2,400	-1,500
Unemployment Rate[e/]	2.5	2.6	2.6	2.7	-0.1	-0.1

a. Detail may not add to the totals due to independent rounding. b. Preliminary. c. Revised.
d. Data reflects Benchmark Revisions. e. Seasonally unadjusted.

Estimated Labor Force and Employment for the Washington Metropolitan Area includes the District of Columbia, the Virginia cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park, the Virginia Counties of Fairfax, Arlington, Prince William, Loudoun, and Stafford, and the Maryland Counties of Montgomery, Prince Georges, Charles, Frederick, and Calvert.

SOURCE: Prepared by the Department of Employment Services, Labor Market Information and Research Staff in cooperation with the Virginia Employment Commission, the Maryland Department of Economic and Employment Development, and the U.S. Bureau of Labor Statistics.

Characteristics of the Insured Unemployed

The number of individuals receiving unemployment insurance (UI) benefits in the District of Columbia totaled 8,216 in April 1990, down 1,381 claimants from March. In April, 58 percent of all UI claimants were males. Occupationally, professional, technical and managerial workers accounted for 25 percent of the total claimants. Clerical and sales workers were second accounting for 24 percent. This was followed by service workers recording 20 percent.

The median duration of the current spell of insured unemployment was 10.2 weeks for all claimants in April. Over the month, the duration for males rose from 9.8 weeks to 10.2 weeks. For females, the duration increased from 10.0 weeks to 10.3 weeks. In April 1989, the average duration for males was 10.5 weeks and for females 10.3 weeks.

Labor Force Distribution
Washington Metropolitan Area
April 1990 & April 1989
(percent)

	Labor Force	Employed	Unemployed
		APRIL 1990	
Area	100.0	100.0	100.0
District	13.6	13.1	31.2
Suburbs	86.4	86.9	68.8
		APRIL 1989	
Area	100.0	100.0	100.0
District	14.2	13.8	29.1
Suburbs	85.8	86.2	70.9

Job Growth

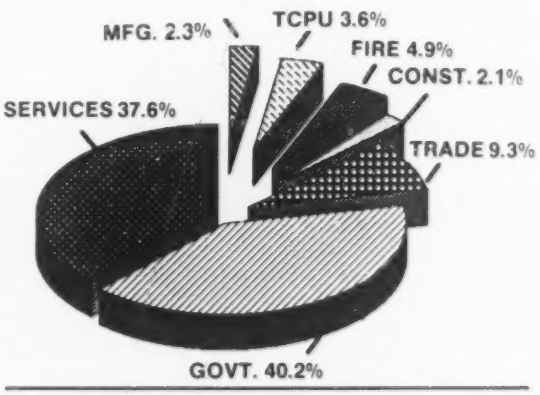
The District

The number of jobs in the District increased by 400 for a gain of 0.1 percent between March and April. The private sector accounted for the increase with seasonal gains in Retail Trade (700 jobs) concentrated in Eating and Drinking Places (800 jobs).

The public sector decreased by 400 with declines in both Federal Government (300 jobs) and State and Local Government (100 jobs). Over the year (April 1989 to April 1990), the number of District jobs increased 1.8 percent for a gain of 12,000 jobs. **The private sector grew at a rate of 2.3 percent, generating 9,200 jobs and accounting for 77 percent of total growth.** The leading job producer Services, contributed 8,000 jobs and accounted for two-thirds of all new jobs. The major components of Services growth were Legal Services (1,800 jobs), Engineering and Management Services (1,200 jobs) and Health Services (1,100 jobs).

The public sector grew at a rate of 1.0 percent with gains in both Federal Government (1,600 jobs) and State and Local Government (1,200 jobs).

Distribution of District Jobs
April 1990



The Suburbs

The number of suburban jobs increased 0.2 percent for a gain of 3,100 jobs between March and April. The private sector accounted for all of the gain with growth primarily in Services (1,400 jobs) and Construction (1,200 jobs). The Virginia suburbs were responsible for 71 percent of the Services growth and all of the gain in Construction.

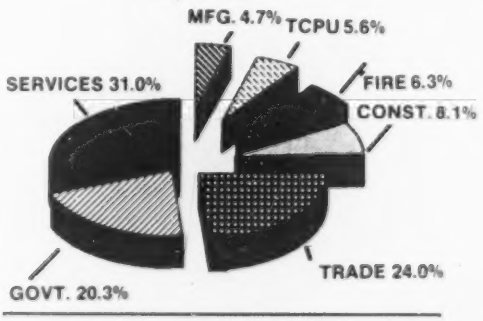
The public sector was unchanged over the month as a gain of 1,100 jobs in the Virginia suburbs was offset by an equal decline in the Maryland suburbs.

Over the year, (April 1989 to April 1990) suburban jobs grew at a rate of 1.6 percent for a gain of 24,900 jobs. **The Virginia suburbs grew at a rate of 2.1 percent accounting for 63 percent of suburban growth, while the Maryland suburbs increased at a rate of 1.2 percent.**

The private sector accounted for 60 percent of all new suburban jobs with the primary job producers, Trade (8,700 jobs) and Services (8,400 jobs), responsible for 69 percent of total growth. Sixty-eight percent of the growth in these two industries occurred in the Virginia suburbs. The Virginia suburbs were also responsible for 64 percent of the growth in Transportation, Communications, and Public Utilities (3,300 jobs) and Finance, Insurance and Real Estate (2,200 jobs) as well as 89 percent of the decline in Construction (7,500 jobs).

In the public sector, gains in both State and Local Government (6,300 jobs) and Federal Government (3,600 jobs) resulted in growth over the year of 3.2 percent.

Distribution of Suburban Jobs
April 1990



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The Area

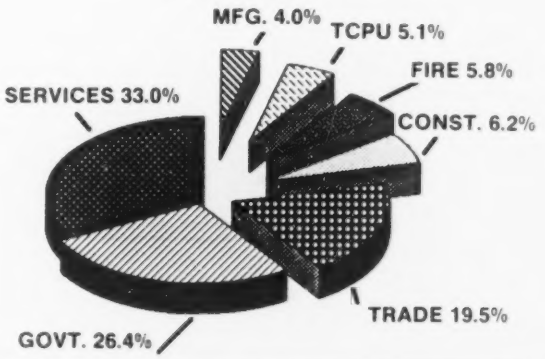
The Washington Metropolitan Area gained 3,500 jobs between March and April for an increase of 0.2 percent. The private sector was responsible for all of the increase with gains in Trade (1,600 jobs), Services (1,400 jobs) and Construction (1,400 jobs).

The public sector declined by 0.1 percent with losses in State and Local Government (600 jobs) partially offset by a gain in Federal Government (200 jobs).

Over the year, (April 1989 to April 1990), subur- Area grew at a rate of 1.7 percent for a gain of 36,900 jobs. The private sector grew at a rate of 1.5 percent, generating 24,200 jobs and producing 66 percent of all new area jobs. The leading job contributor, Services (16,400 jobs), was responsible for two-thirds of all new private sector jobs. Significant private sector growth also was generated by Trade (9,800 jobs), Transportation, Communications, and Public Utilities (3,600 jobs) and Finance, Insurance, and Real Estate (2,200 jobs). Construction, on the other hand, declined by 5.3 percent for a loss of 7,800 jobs.

The public sector grew at a rate of 2.2 percent with growth of 3.4 percent in State and Local Government (7,500 jobs) and 1.4 percent in Federal Government (5,200 jobs).

Distribution of Area Jobs
April 1990



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Wage and Salary Employment by Industry and Place of Work[a/]
(in thousands)

INDUSTRY	District of Columbia			Metropolitan Area		
	Apr.[b/] 1990	Mar.[c/] 1990	Apr.[c/] 1989	Apr.[b/] 1990	Mar.[c/] 1990	Apr.[c/] 1989
TOTAL	**689.1**	**688.7**	**677.1**	**2,248.3**	**2,244.8**	**2,211.4**
Total Private Sector	**412.1**	**411.3**	**402.9**	**1,654.9**	**1,651.0**	**1,630.7**
Total Government	**277.0**	**277.4**	**274.2**	**593.4**	**593.8**	**580.7**
Total Goods Producing	**30.2**	**30.2**	**30.4**	**230.9**	**229.7**	**238.7**
Manufacturing	**15.9**	**16.1**	**15.8**	**89.1**	**89.3**	**89.1**
Total Durables	2.3	2.4	2.3	42.9	43.1	43.5
Stone, Clay, Glass Products	N/A	N/A	N/A	3.2	3.2	3.3
Electronic & Electric Equip.	N/A	N/A	N/A	17.1	17.3	17.4
All Other Durable	N/A	N/A	N/A	22.6	22.6	22.8
Total Non-Durable	13.6	13.7	13.5	46.2	46.2	45.6
Food & Kindred Products	0.3	0.3	0.3	4.6	4.6	4.7
Printing & Publishing	12.9	13.0	12.8	35.8	35.8	35.1
All Other Non-Durable	0.4	0.4	0.4	5.8	5.8	5.8
Mining	**0.1**	**0.1**	**0.1**	**1.1**	**1.1**	**1.1**
Construction	**14.2**	**14.0**	**14.5**	**140.7**	**139.3**	**148.5**
Total Service Producing	**658.9**	**658.5**	**646.7**	**2017.4**	**2015.1**	**1972.7**
Transportation, Communications & Public Utilities	**25.1**	**24.9**	**24.8**	**114.4**	**111.3**	**107.8**
All Transportation	10.0	9.8	9.8	56.5	56.3	52.7
Railroads	4.2	4.2	4.1	5.3	5.3	5.2
Transportation ex. Railroad	5.8	5.6	5.7	51.2	51.0	47.5
Communications & Public Utilities	15.1	15.1	15.0	54.9	55.0	55.1
Trade	**64.1**	**63.4**	**63.0**	**438.8**	**437.2**	**429.0**
Wholesale	8.4	8.4	8.5	77.4	77.6	77.7
Retail	55.7	55.0	54.5	361.4	359.6	351.3
General Merchandise	N/A	N/A	N/A	39.0	39.4	38.0
Food Stores	N/A	N/A	N/A	52.1	52.2	47.6
Automotive	N/A	N/A	N/A	38.5	38.3	39.1
Apparel & Accessories	N/A	N/A	N/A	26.2	26.8	26.3
Eating & Drinking Places	28.3	27.5	27.7	117.6	115.9	115.4
All Other Retail	27.4	27.5	26.8	88.0	87.0	84.9
Finance, Insurance & Real Estate	**33.4**	**33.5**	**33.4**	**131.1**	**131.5**	**128.9**
Finance	15.9	16.0	15.9	61.3	61.4	59.1
Depository Institutions	9.0	9.1	9.2	40.2	40.3	38.4
Other Finance	6.9	6.9	6.7	21.1	21.1	20.7
Insurance	7.6	7.6	7.6	26.6	26.7	26.6
Real Estate	9.9	9.9	9.9	43.2	43.4	43.2
Services	**259.3**	**259.3**	**251.3**	**742.7**	**741.3**	**726.3**
Hotels & Other Lodging Places	17.5	17.2	16.7	37.8	37.0	36.5
Personal Services	3.6	3.5	3.6	24.4	24.2	23.6

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Wage and Salary Employment by Industry and Place of Work[a]
(in thousands)

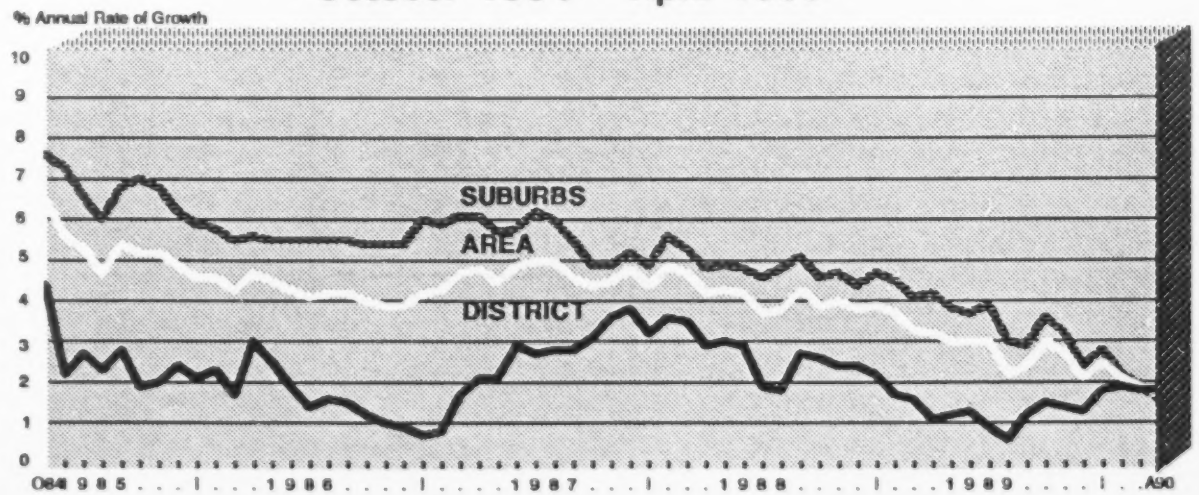
INDUSTRY	District of Columbia			Metropolitan Area		
	Apr.[b] 1990	Mar.[c] 1990	Apr.[c] 1989	Apr.[b] 1990	Mar.[c] 1990	Apr.[c] 1989
Business Services	39.3	39.9	38.7	179.6	180.2	176.2
Services to Buildings	14.4	15.0	14.3	N/A	N/A	N/A
Personnel Supply	8.6	8.8	8.4	N/A	N/A	N/A
Computer & Data Process	6.2	6.2	5.8	N/A	N/A	N/A
Other Business Services	10.1	9.9	10.2	N/A	N/A	N/A
Health Services	37.4	37.6	36.3	113.8	114.3	110.1
Legal Services	30.0	30.0	28.2	41.0	40.9	38.5
Educational Services	31.7	31.1	31.3	45.4	44.8	44.8
Social Services	12.5	12.3	11.7	34.0	33.7	32.7
Membership Organizations	33.6	33.7	32.8	59.6	59.7	58.4
Engineering/Management Ser.	43.5	43.8	42.3	144.6	145.0	144.6
All Other Services	10.2	10.2	9.7	62.5	61.5	60.9
Government	**277.0**	**277.4**	**274.2**	**593.4**	**593.8**	**580.7**
Federal Government	219.9	220.2	218.3	366.6	366.4	361.4
State & Local Government	57.1	57.2	55.9	226.8	227.4	219.3
State Government	52.3	52.4	51.1	83.7	83.8	81.3
Local Government	N/A	N/A	N/A	143.1	143.6	138.0
Public Transportation	4.8	4.8	4.8	N/A	N/A	N/A

a Detail may not add to the totals due to independent rounding. b. Preliminary. c. Revised.
d. Data reflects Benchmark Revisions. e. Seasonally unadjusted.

Estimated Labor Force and Employment for the Washington Metropolitan Area includes the District of Columbia; the Virginia cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park; the Virginia Counties of Fairfax, Arlington, Prince William, Loudoun, and Stafford; and the Maryland Counties of Montgomery, Prince Georges, Charles, Frederick, and Calvert.

Source: Prepared by the Department of Employment Services, Labor Market Information and Research Staff in cooperation with the Virginia Employment Commission, the Maryland Department of Economic and Employment Development, and the U.S. Bureau of Labor Statistics.

Monthly Over-The-Year Rate of Job Growth
October 1984 - April 1990



Area Job Growth Rates

Over the past 66 months, (October 1984 to April 1990), the Washington Area has created new jobs at a rate of 4.3 percent. Measured by monthly over-the-year changes, however, the rate of growth has been steadily declining after peaking at 6.8 percent in December 1984. **Between April 1989 and April 1990, the Area's job growth slowed to 1.7 percent. The over-the-year rate for this past April was much smaller than the 3.2 percent recorded in April of last year. In fact, this April's growth rate is the lowest over-the-year growth in all of the 66 months in the local job growth series.**

During April, suburban over-the-year growth slowed to 1.6 percent, down from the 4.2 percent registered in April 1989. This was the lowest over-the-year suburban growth in the past 66 months. Only in the District did the 1.8 percent growth for this April exceed growth (1.1 percent) in April 1989. **In fact, this was the first month in over six years that the over-the-year job growth rate in the District exceeded the growth in the Area and the suburbs.**

In absolute terms, job creation in the Area has declined from 105,200 new jobs produced between April 1984 and April 1985, to 36,900 between April 1989 and April 1990. Over the past year, 24,900 new jobs were added to the Suburban economy and 12,000 in the District. **The Washington Area is now creating new jobs at a slower pace than the U.S. economy (1.7 percent vs. 2.1 percent for the U.S. economy).** This is the third consecutive month that the local job growth rate has been below the U.S. rate.

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Department of Employment Services

Profile of Job Growth Rates
October 1984 to April 1990

The Area	
Average 66 months	4.3%
High, December 1984	6.8%
Low, April 1990	1.7%
1-year ago	3.2%
Current month	1.7%
The Suburbs	
Average 66 months	5.3%
High, January 1985	8.4%
Low, April 1990	1.6%
1-year ago	4.2%
Current month	1.6%
The District	
Average 66 months	2.2%
High, October 1984	4.4%
Low, August 1989	0.6%
1-year ago	1.1%
Current month	1.8%

NOTE: Data reflects benchmark revisions for 1988-1989.

LABOR FORCE PROFILE:

1989 Annual Averages From The Current Population Survey For The Washington Metropolitan Statistical Area And The District Of Columbia

Recently, the Bureau of Labor Statistics released 1989 labor force statistics for the District of Columbia and the Washington Metropolitan Statistical Area. These statistics were based upon annual population estimates prepared by the Bureau of the Census. The following article summarizes this information.

The Area

The new annual average estimates for 1989 indicate that the labor supply in the Washington Metropolitan Statistical Area experienced very slow growth during the past year. Growth of the working-age population (16 years of age and above) only measured 31,000, an increase of only 1.1 percent. Labor force growth was even more sluggish as the Area added a net of 6,000 to its base. This was down from the 66,000 new workers added in 1988, which represented an increase of 3.2 percent compared to 0.3 percent in 1989. More surprisingly, local employers only added 10,000 new workers to their payrolls, down sharply from nearly 73,000 in 1988. Over the year, the annual Area unemployment rate fell from 3.0 percent to 2.7 percent, one of the lowest rates in the nation.

Slow labor force growth is probably the reason the Area's unemployment rate has remained so low, despite the fact, job creation in the Area fell from 4.2 percent in 1988 to 2.9 percent in 1989[1]. Slow labor force growth may have been a major contributor to the slowing of the job growth. The job growth which occurred probably was fueled to a significant degree by out-of-town workers commuting to jobs in the Area. This being the case, another major expansion of the Washington Metropolitan Area will probably be foreshadowed in the 1990 Census data.

[1]For 1989 annual changes in Area jobs, see the March 1989 edition of the *Area Labor Summary*, pp. 10-14.

The Suburbs

Within the Area, there was a reasonably large 1989 increase in the suburban working-age population of 2.1 percent, or 50,000 new suburban residents. This population growth was accompanied by a 28,000-person increase (1.6 percent) in the labor force. The number of suburbanites on the payrolls of Area employers, however, increased more than the labor supply, as 31,000 additional suburbanites received paychecks. As a result, the unemployment rolls in the suburbs declined by 3,000 and the jobless rate dropped from 2.6 percent in 1988 to 2.3 percent in 1989.

The District

In the District, major reductions in virtually all labor force categories were recorded. According to the new Census Bureau's estimates, the City's working-age population declined from 473,000 to 454,000, a one-year drop of 19,000 residents, or 4.0 percent. The decline in the labor force was even larger, as 22,000 fewer residents were included in the statistics. This represents a drop of 6.5 percent from the previous year. Ninety-five percent of the labor force decline was due to a drop of 21,000 employed residents (6.6 percent). On the other hand, the District's unemployment roll remained relatively unchanged with a decline of 1,000. As a result of these labor force movements, the unemployment rate registered 5.0 percent. This 5.0 percent is identical to the 1988 rate. Five percent is the lowest annual rate in the City since the record low of 3.6 percent in 1971.

The Washington Area's labor force statistics showed little change over the year. However, there were major declines in the District and relatively large increases in the suburbs. The Census Bureau's figures seem to imply that many working City residents relocated to the suburbs during 1989. This means they were

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subtracted from the District employment statistics and added to those of suburbs. The internal movement between the central city and the suburbs produced the small net change for the Area.

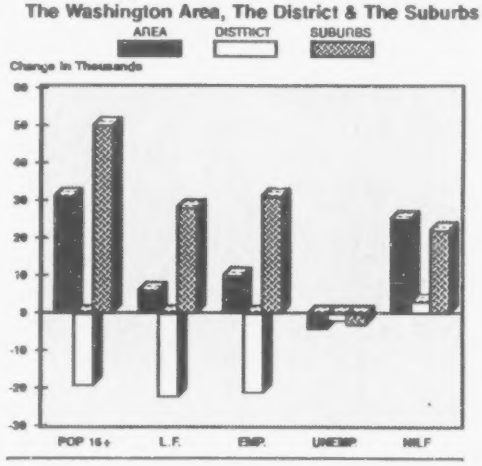
The Labor Force Recovery From The Recessions Of The Early 1980's

Despite the sluggish labor force growth in 1989, this marked the seventh consecutive year of growth in the Area. Since 1983, the Washington Area has added nearly half a million people to its working-age population. Its labor force has increased by 437,000, or 25.6 percent. More amazingly, 474,000 more Area residents held jobs in 1989 than in 1983. Since employment expanded by more than the labor supply, there were 36,000 people removed from the unemployment rolls. Thus, the Area's unemployment rate dropped from 5.6 percent in 1983 to only 2.7 percent in 1989. Despite the very large growth in the working-age population, the number of people not working or looking for work only increased by 21,000, or 3.1 percent during the last seven years.

In the Washington suburbs, the growth was even more remarkable, as the working-age population grew from 1,889,000 to 2,384,000, an increase of 26.2 percent in only seven years.[2] The growth of the suburban labor supply increased even more rapidly, by nearly a third. New Area job growth absorbed more workers than were added to the labor supply. In addition, 14,000 unemployed workers withdrew from the unemployment pool. This forced the unemployment rate to fall from 4.1 percent in 1983 to the 2.3 percent in 1989 and, thereby, created a labor shortage.

On the other hand, in the District, the working-age population recorded a seven-year decline of 37,000 residents, or 7.5 percent. More than half the decline occurred last year. Despite the large loss of working-age population, the City's labor force declined by only 10,000 As a result, the labor force participation rate rose from 66.2 percent in 1989. Surprisingly, compared to 1983, there were 12,000 additional District residents employed in 1989. This difference indicates the severity of the earlier recessions in the District and the strength of the post-recessionary recovery. As a consequence of the strong growth over the last seven years, there were 22,000 fewer residents unemployed in 1989 than in 1983, a reduction of nearly 58 percent. As a result of increased labor force participation, the number of working-age District residents not in the labor force declined by 27,000 during the recovery period.

Net Changes In The Labor Force 1988 To 1989
The Washington Area, The District & The Suburbs



Observations

The annual labor force statistics for 1989 indicate that the recovery from the recessions of the early 1980's is finally winding down after a period of remarkable growth. During the past year, most of the labor market changes seem to reflect the movement of District residents to the suburbs, renewing local migration patterns prevailing in the 1960's and 1970's. Since annual job growth in 1989 was stronger than labor force growth, this indicates that jobs in the Washington Area are attracting workers from beyond the boundaries of the MSA. Future additions to the definition of the Washington Metropolitan Area are likely to occur when the 1990 Census is released. The annual data also highlights the continuation of the Area labor shortage. It is conceivable that these labor force shortages are a major contributor to the slowing of job growth in combination with excessive inventories of office space, expensive housing, and the tightening credit markets. On the other hand, perhaps the Census Bureau is under-estimating population growth in the Washington Metropolitan Statistical Area.

[2]Suburban data has been derived by LMIR based on the Census Bureau's estimates for the Area and the District

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Labor Force Status of Residents of:
The District, The Suburbs and the Washington Area
Annual Averages: 1989, 1988 & 1983
(annual averages)
(in thousands)

	1989	1988	1983	Change 88-89	Percent Change 89-90	Change 83-89	Percent Change 83-89
DISTRICT:							
POPULATION 16+	454	473	491	-19	-4.0	-37	-7.5
LABOR FORCE	315	337	325	-22	-6.5	-10	-3.1
EMPLOYMENT	299	320	287	-21	-6.6	12	4.2
UNEMPLOYMENT	16	17	38	-1	-5.9	-22	-57.9
UNEMPLOYMENT RATE	5.0	5.0	11.7	0	0.0	-6.7	-57.3
NOT-IN-LABOR FORCE	139	136	166	3	2.2	-27	-16.3
SUBURBS:							
POPULATION 16+	2384	2334	1889	50	2.1	495	26.2
LABOR FORCE	1830	1802	1383	28	1.6	447	32.3
EMPLOYMENT	1787	1756	1325	31	1.8	462	34.9
UNEMPLOYMENT	43	46	57	-3	-6.5	-14	-24.6
UNEMPLOYMENT RATE	2.3	2.6	4.1	-0.3	-11.5	-1.8	-43.9
NOT-IN-LABOR FORCE	554	532	506	22	4.1	48	9.5
AREA:							
POPULATION 16+	2838	2807	2380	31	1.1	458	19.2
LABOR FORCE	2145	2139	1708	6	0.3	437	25.6
EMPLOYMENT	2086	2076	1612	10	0.5	474	29.4
UNEMPLOYMENT	59	63	95	-4	-6.3	-36	-37.9
UNEMPLOYMENT RATE	2.7	3.0	5.6	-0.3	-10.0	-2.9	-51.8
NOT-IN-LABOR FORCE	693	668	672	25	3.7	21	3.1

SOURCE: Current Population Survey. Suburban data derived by LMIRS.

Unemployment Rates

Metropolitan Areas

In March 1990, the Bureau of Labor Statistics ranked 268 Metropolitan Statistical Areas (MSAs) by preliminary unemployment rates. The Washington Area's jobless rate was 2.6 percent in March down from 2.8 percent recorded in February. This was the fifth lowest jobless rate of the 268 areas reporting. A year ago, the Washington Area rate was 2.7 percent.

Comparing the Washington Area with other large metropolitan areas nationwide, the Washington Area's rate at 2.6 percent was the lowest of all the major metropolitan areas. Low jobless rates for March were also recorded in San Francisco (2.8 percent) and Oakland and San Diego both (3.5 percent).

The Richmond-Petersburg Area, 110 miles to the south of Washington, posted a March jobless rate of 3.6 percent down from the 3.9 percent recorded in February. A year ago, the rate was 4.0 percent. Over the last 6 months, the Richmond-Petersburg rate has been on the decline.

The Baltimore Area, only 35 miles north of Washington, also reported a jobless rate of 3.6 percent, down 0.7 percentage point from February. A year ago, the Baltimore rate was 4.3 percent. Baltimore's rate has been going down over the last year. It ranks among the lowest in the major metropolitan areas.

Of the 268 metropolitan areas for which March data are available, 34 had over-the-year decreases in their unemployment rate of 1 percentage point or more, and 59 had increases of that magnitude. Fifty-eight areas had rates below 4 percent, and 44 had rates of 7 percent or higher.

Unemployment Rates in Selected Major Metropolitan Statistical Areas

MSA	March 1990*	March 1989
1. Washington, D.C.	**2.6**	**2.7**
2. San Francisco, CA	2.8	3.0
3. Oakland, CA	3.5	3.8
4. San Diego, CA	3.5	3.3
5. Richmond-Petersburg, VA	3.6	4.0
6. Baltimore, MD	3.6	4.3
7. Milwaukee, WI	3.7	4.1
8. Nashville, TN	3.7	3.7
9. Seattle, WA	3.9	4.7
10. Portland, OR	4.1	4.5
11. Cincinnati, OH	4.2	4.5
12. Oklahoma City, OK	4.3	5.2
13. Minneapolis-St. Paul, MN	4.3	3.7
14. Atlanta, GA	4.3	5.1
15. Sacramento, CA	4.3	4.9
16. Phoenix, AR	4.3	4.8
17. Philadelphia, PA	4.4	3.4
18. Indianapolis, IN	4.4	4.3
19. Dallas, TX	4.5	5.0
20. Memphis, TN	4.5	4.5
21. Kansas City, MO	4.5	4.9
22. Houston, TX	4.6	5.5
23. Columbus, OH	4.7	4.8
24. Jackson, MS	4.7	5.5
25. Salt Lake City, UT	4.9	5.7
26. Boston, MA	4.9	3.3
27. Cleveland, OH	5.0	4.9
28. Gary, IN	5.0	4.5
29. Buffalo, NY	5.0	5.7
30. Denver, CO	5.0	6.3
31. Newark, NJ	5.2	3.3
32. Louisville, KY	5.4	6.1
33. Miami, FL	5.4	5.8
34. Birmingham, AL	5.5	5.8
35. Dayton, OH	5.6	5.0
36. Chicago, IL	5.6	5.5
37. St. Louis, MO	5.8	5.9
38. Montgomery, AL	5.8	6.0
39. St. Louis, MO	5.8	5.9
40. New Orleans, LA	6.1	6.8
41. New York, NY	6.2	4.5
42. Pittsburgh, PA	6.4	6.1
43. Detroit, MI	7.3	6.8

*Preliminary unemployment rates.

States

When the District of Columbia (with a March preliminary unemployment rate of 5.6 percent) was ranked with the 50 States, the District held the twenty-second position. This was three notches below February's standing. Virginia's rate at 3.9 percent was down 0.5 percentage point from its February rate. Maryland's rate also declined falling from 3.9 percent to 3.3 percent. Virginia and Maryland have two of the five lowest jobless rates among the 51 jurisdictions. This month, Virginia and Maryland ranked forty-seventh and forty-ninth, respectively, in the standings. A year ago, the rates in Virginia and Maryland were 4.2 percent and 3.9 percent, respectively.

Eight states reported over-the-year declines of 1 percentage point or more in their unemployment rate. Montana had the largest reduction (1.6 percentage points), followed by Colorado (1.4 points) and Kentucky, Louisiana, Mississippi, and West Virginia (all 1.2 points). Nine states had over-the-year increases of 1 percentage point or more. The largest increases occurred in four New England states-Rhode Island (4.2 points), New Hampshire (2.4 points), Connecticut (2.0 points), and Massachusetts (1.9 points). The other two New England states--Maine and Vermont—were also in the group of nine, which also included Indiana, New Jersey, and Pennsylvania.

March unemployment rates were below 4 percent in five states—Nebraska (2.8 percent), Hawaii (3.0 percent), Maryland (3.3 percent), North Carolina (3.6 percent), and Virginia (3.9 percent). Unemployment rates were 7 percent or higher in seven state, with Rhode Island (8.2 percent) and Alaska (7.9 percent) the highest.

Cities

In comparison with the 25 selected central cities, the District of Columbia (with a March preliminary rate of 5.6 percent) had the tenth lowest jobless rate. This was three notches above the position held last month. The average unemployment rate of the 26 cities edged down from 6.8 percent in February to 6.5 percent in March. A year ago, the rate was 6.3 percent. Eleven cities had jobless rates at or below 6 percent. San Francisco (3.4 percent), Columbus and Milwaukee (4.6 percent each), Pittsburgh (4.8 percent), Houston (4.9 percent), Cincinnati and Boston (5.1 percent each), Dallas (5.2 percent), Salt Lake City (5.4 percent) and the District of Columbia and Philadelphia (5.6 percent each).

Newark joined Gary and Detroit as double-digiters in March. Newark's rate at 10.1 percent was up from 9.8 percent recorded in February. Newark's rate has been in the neighborhood of 10 percent over the last six months. Gary's rate was up from 10.3 percent in February to 11.4 percent in March. Gary's rate has been moving upwards in the last year. On the other hand, Detroit's rate while at 10.2 percent was down from 11.1 percent recorded in February. A year ago, Newark's rate was 6.7 percent, Gary's rate was 10.2 percent, and Detroit's rate was 10.3 percent. Of these double digiters, Detroit seems to be the one with the most severe jobless problems.

Of the 26 selected central cities, only fourteen reported declines in joblessness over the year. On the other hand, eleven posted increases in unemployment. St. Louis at 8.0 percent reported no change in joblessness. The largest increases in joblessness over the year were in Newark (3.4 percent), Los Angeles (2.4 percent), New York (2.2 percent), Boston (1.5 percent) and Gary (1.2 percent). The largest decreases were recorded by Birmingham (1.2 percent) and Houston, Atlanta, and Baltimore each (1.0 percent).

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Unemployment Rates by State, March 1990

Unemployment Rates in Selected Major Metropolitan Statistical Areas

MSA	March 1990*	March 1989
1. San Francisco, CA	3.4	3.6
2. Columbus, OH	4.6	4.9
3. Milwaukee, WI	4.6	5.1
4. Pittsburgh, PA	4.8	4.2
5. Houston, TX	4.9	5.9
6. Boston, MA	5.1	3.6
7. Cincinnati, OH	5.1	5.4
8. Dallas, TX	5.2	5.9
9. Salt Lake City, UT	5.4	6.2
10. District of Columbia	**5.6**	4.9
11. Philadelphia, PA	5.6	4.7
12. Baltimore, MD	5.7	6.7
13. Atlanta, GA	6.2	7.2
14. New Orleans, LA	6.3	7.1
15. Los Angeles, CA	6.6	4.2
16. Miami, FL	6.6	7.1
17. New York, NY	6.8	4.8
18. Birmingham, AL	6.8	8.0
19. Chicago, IL	7.1	6.9
20. Buffalo, NY	7.1	8.0
21. Cleveland, OH	7.7	7.6
22. Dayton, OH	7.9	7.6
23. St. Louis, MO	8.0	8.0
24. Newark, NJ	10.1	6.7
25. Detroit, MI	10.2	10.3
26. Gary, IN	11.4	10.2

*Preliminary unemployment rates

UI Activities-April 1990

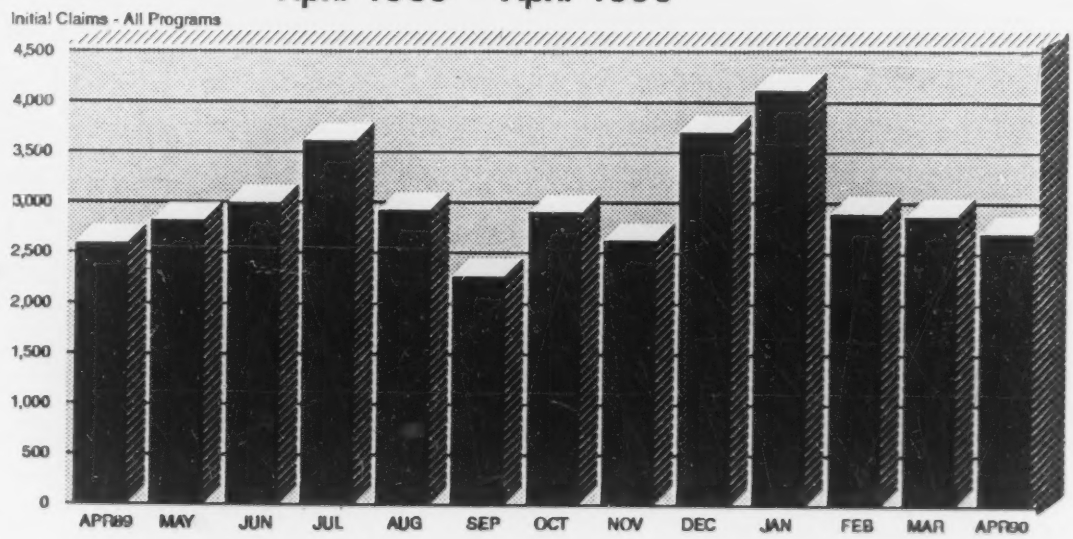
Unemployment compensation claims for initial benefits in the District of Columbia totalled 2,700 in April 1990. This total compares with 2,870 taken in March of this year, and represents a 6 percent monthly decline. This is the fourth year in a row when April claims ran counter to established trends for the first month of a calendar quarter. The first month of the quarter is the beginning of a new base period for determining the level of benefits for unemployment compensation, and claims tend to increase. This increase usually comes from claimants who are eligible in a prior period, but who opt to wait until the month when the base period changes to take advantage of the higher benefit amount.

Likewise, all other measures, with the exception of the average weekly benefit amount and the number of final payments, took a monthly plunge. This same pattern occurred at this time last year. The number of weeks claimed, the number actually compensated, and the total benefit outlay each decreased approximately 6 percent. The April benefit payout was $6.7 million, and is the second lowest month on record this year. The low point last year was $5.9 million in December.

The April average weekly benefit amount rose nearly a percentage point over the month to $283.89. This measure is expected to increase gradually each month—following the legislated increase in the maximum weekly benefit amount effective in January of this year, along with an accompanying higher scale of benefits. Compared to April 1989, all measures increased except the number of beneficiaries on record at the time.

The January-April 1990 experience compared to the previous year shows increases in the major measures. The 1990 four-month experienced outlayed $28.5 million in benefits—up 6 percent over 1989. The idle weeks compensated increased nearly 2 percent, while the average weekly payout rose 4 percent.

District of Columbia
Initial Unemployment Compensation Claims
April 1989 - April 1990



Selected Unemployment Insurance Benefit Statistics
(Regular Programs)
District of Columbia
April 1990

	Apr. 1990	Mar. 1990	Apr. 1989	% Change From Mar. 1990	% Change From Apr. 1989
State UI Program[a]					
Initial Claims Taken	2,599	2,734	2,409	-4.9	+7.9
Weeks of Unemployment Claimed	32,216	34,219	31,308	-5.9	+2.9
Weeks of Unemployment Compensated	30,900	33,051	29,730	-6.5	+3.9
Total Benefits Paid	$6,254,716	$6,623,602	$5,753,437	-5.6	+8.7
Average Weekly Benefit Payment	$202.42	$200.41	$193.52	+1.0	+4.6
Number of First Payments	1,499	1,662	1,313	-9.8	+14.2
Number of Final Payments	838	766	785	+9.4	+6.8
Total Beneficiaries	8,888	9,231	8,789	-3.7	+1.1
Federal Program[b]					
Initial Claims Taken	70	87	144	-19.5	-51.4
Weeks of Unemployment Claimed	1,656	1,899	2,415	-12.8	-31.4
Weeks of Unemployment Compensated	1,824	1,990	2,701	-8.3	-32.5
Total Benefits Paid	$419,024	$455,024	$628,377	-7.9	-33.3
Average Weekly Benefit Payment	$229.73	$228.66	$232.65	+0.5	-1.3
Number of First Payments	80	91	177	-12.1	-54.8
Number of Final Payments	68	76	63	-10.5	+7.9
Total Beneficiaries	506	546	803	-7.3	-37.0
Ex-Servicepersons Program[c]					
Initial Claims Taken	36	47	35	-23.4	+2.9
Weeks of Unemployment Claimed	266	236	268	+12.7	-0.7
Weeks of Unemployment Compensated	199	168	203	+18.5	-2.0
Total Benefits Paid	$38,976	$33,569	$39,676	+16.1	-1.8
Average Weekly Benefit Payment	$195.86	$199.82	$195.45	-2.0	+0.2
Number of First Payments	29	20	24	+45.0	+20.8
Number of Final Payments	7	6	15	+16.7	-53.3
Total Beneficiaries	70	58	69	+20.7	+1.4
Total—All Programs					
Initial Claims Taken	2,705	2,868	2,588	-5.7	+4.5
Weeks of Unemployment Claimed	34,138	36,354	33,991	-6.1	+0.4
Weeks of Unemployment Compensated	32,923	35,209	32,634	-6.5	+0.9
Total Benefits Paid	$6,712,716	$7,112,195	$6,421,490	-5.6	+4.5
Average Weekly Benefit Payment	$203.89	$202.00	$196.77	+0.9	+3.6
Number of First Payments	1,608	1,773	1,514	-9.3	+6.2
Number of Final Payments	913	848	863	+7.7	+5.8
Total Beneficiaries	9,464	9,835	9,661	-3.8	-2.0

a/ Includes joint claims with Unemployment Compensation for Federal Employees (UCFE), and/or Unemployment Compensation for Ex-Servicepersons (UCX)

b/ Includes joint claims with Unemployment Compensation for Ex-Serviceperson (UCX).

c/ No joint claims.

Hours and Earnings in Manufacturing

Total Manufacturing Average Weekly Earnings in the Metropolitan Area for April 1990 decreased $13.44. Average Weekly Hours dropped 1.3 hours, however, Average Hourly Earnings rose 7 cents.

In the Durable Goods Sector, less overtime is reflected throughout. Stone, Clay and Glass Products shows a decrease in Weekly Earnings of $8.77 and in Weekly Hours of 1.5 hours. Electric Machinery, Equipment and Supplies reflects a decrease in Weekly Earnings of $19.99. Weekly Hours and Hourly Earnings dropped 1.8 hours and one cent, respectively. Other Durable Goods' Weekly Earnings were down $4.64 and Weekly Hours were down 1.3 hours because of less overtime. Hourly Earnings rose 28 cents due to more business.

In the Non-Durable Goods Sector, Food and Kindred Products had a shorter scheduled workweek. As a result, Weekly Earnings declined $17.11 and Weekly Hours dropped 1.1 hours. Hourly Earnings decreased 13 cents. Other Non-Durable Goods had less overtime being worked which caused Weekly Earnings, Weekly Hours and Hourly Earnings to drop $28.28, 2.6 hours and 8 cents, respectively.

Earnings of Production Workers in Manufacturing
Washington Metropolitan Area
April 1990

	Average Weekly Earnings			Average Weekly Earnings			Average Hourly Earnings		
	Apr. 1990	Mar. 1990	Apr. 1989	Apr. 1990	Mar. 1990	Apr. 1989	Apr. 1990	Mar. 1990	Apr. 1989
Total Manufacturing	475.97	489.41	458.24	38.2	39.5	39.3	12.46	12.39	11.66
Durable Goods	501.28	508.69	473.88	41.6	43.0	42.5	12.05	11.83	11.15
Stone Clay & Glass Products	539.03	547.80	523.95	48.3	49.8	45.8	11.16	11.00	11.44
Electric Machinery, Equipment & Supplies	438.06	458.05	421.88	40.3	42.1	39.8	10.87	10.88	10.60
Other Durable Goods	511.15	515.79	480.38	40.6	41.9	42.7	12.59	12.31	11.25
Non-Durable Goods	456.18	473.80	445.17	35.5	36.7	36.7	12.85	12.91	12.13
Food & Kindred Products	431.58	448.69	417.38	40.6	41.7	40.8	10.63	10.76	10.23
Printing & Publishing	477.74	492.80	467.66	34.1	35.0	34.9	14.01	14.08	13.40
Other Non-Durable Goods	375.93	404.21	376.41	39.2	41.8	41.5	9.59	9.67	9.07

Total Production Workers	Apr. 1990	Mar. 1990	Apr. 1989
	40,600	39,900	42,600

NOTE: Data reflects revision to the 1989 Benchmark.

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